TREASURY DEPARTMENT

FOR RELEASE, MORNING PAPERS,
Sunday, December 31, 1922.

Statement by Secretary Mellon.

The Treasury announces that all the special Treasury certificates of indebtedness, sometimes known as Pittman Act Certificates, issued to secure Federal Reserve Bank notes under the provisions of the Act approved April 23, 1918, have now been retired, the final retirement having been made on December 28, 1922. The amount outstanding on December 31, 1920, was $259,375,000, and since that date the certificates have been gradually retired, partly through the coinage of standard silver dollars under the Pittman Act and partly out of the general fund of the Treasury, in accordance with the plan outlined in the Secretary's statement of April 1, 1921. Certificates to the amount of $167,841,000 were retired through the coinage of standard silver dollars, and the remaining $91,534,000 out of the general fund.

Purchases of domestic silver and coinage of standard silver dollars under the Pittman Act are still proceeding, and the coinage of the bullion into dollars will, of course, free silver certificates for purposes of current payments. According to the figures of the Director of the Mint, the amount of silver bullion remaining to be purchased under the Act is about 49,667,478 fine ounces.

TREASURY DEPARTMENT

FOR RELEASE MORNING PAPERS,
MONDAY, JANUARY 1, 1923; NOT EARLIER.

Washington, Dec. 31. - Secretary Mellon's New Year's greeting is a plea for further economy in Government expenditures and for greater saving among the people. The Secretary said:

"Let us make 1923 a better and more prosperous year than 1922. It can be done, if all of us will unite to save more and waste less. The Federal Government will take the lead in saving. It is cutting expenditures to the limit in order to balance its budget and reduce the burden of taxation. For the last completed fiscal year, it shows a reduction of about one billion dollars in the gross debt, a balanced budget, and successful refunding operations which have reduced the early-maturing debt to manageable proportions.

"But much still remains to be done. On January 1, 1923, about $625,000,000 of 1918 War-Savings Stamps come due and must be paid or exchanged into other Government securities; and on May 20, 1923, the remaining Victory notes, amounting to about $350,000,000, will become payable, while Victory notes called for redemption on December 15, 1922, still remain outstanding to the amount of about $250,000,000. It is a matter of the first importance that these great maturities, representing largely the savings of the people, should not be dissipated in idle or wasteful expenditure or in worthless securities, and the Treasury is accordingly bending every effort to encourage the reinvestment of these funds in sound securities, particularly those of the Government itself. As of special interest to holders of maturing War-Savings Certificates, it is offering the new Treasury Savings Certificates on an attractive

basis, in the belief that those who saved during the war will wish to keep their money invested in Government securities of the same general character but in more convenient form. The new certificates are issued in denominations small enough to meet the demands of all classes of investors; may be purchased up to $5,000 maturity value of any one series by any one person; yield an attractive rate of interest; and are exempt from the normal Federal income tax and from all State and local taxes (except estate and inheritance taxes).

During the world war we learned to save, and the Liberty Loan and War Savings campaigns created a great body of investors in Government securities. It would be little short of a national calamity if the lessons of thrift and sound investment, learned during the war, should be lost in these days of reconstruction when the need of avoiding waste and extravagance is as great as ever. Treasury Savings Certificates will help the Government to finance the debt left by the war. But they will do more than that; they afford an opportunity to the people of the country to save from their income and, by investing regularly in Government securities, to build the foundation for future financial independence and success."